

VOLUNTARY PETITION

United States Bankruptcy Court Northern District of Georgia		Case No.
Name of Debtor (If individual, enter Last, First, Middle) SouthStar Funding, LLC		Name of Joint Debtor (Spouse) (Last, First, Middle)
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names) Capital Home Mortgage		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names)
Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (If more than one, state all) 22-3587118		Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (If more than one, state all)
Street Address of Debtor (No. and street, city, state and zip code) 400 Northridge Road, Suite 1000 Atlanta, GA 30350-3312		Street Address of Joint Debtor (No. and street, city, state and zip code)
County of Residence or Principal Place of Business: Fulton		County of Residence or Principal Place of Business
Mailing Address of Debtor (If different from street address)		Mailing address of Joint Debtor (If different from street address)
Location of Principal Assets of Business Debtor (If different from address listed above)		
Type of Debtor (form of organization) (Check one box) <input type="checkbox"/> Individual (includes joint debtors) <i>(See Exhibit D on page 2 of this form)</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If Debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code)	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input checked="" type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Non-main Proceeding Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
<input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only) Must attach signed application for the court's consideration certifying that the Debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A <input type="checkbox"/> Filing Fee waiver requested (applicable to Chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. 101(51D) <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. 101(51D) Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts owed to non-insiders or affiliates are less than \$2 million.
		Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
Statistical/Administrative Information <input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input checked="" type="checkbox"/> Debtor estimates that after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors Estimated Number of Creditors 1- 50- 100- 200- 1,000- 5,001- 10,001- 25,001- 50,001- OVER 49 99 199 999 5,000 10,000 25,000 50,000 100,000 100,000 <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Estimated Assets <input type="checkbox"/> \$0 to \$10,000 <input type="checkbox"/> \$10,000 to \$100,000 <input type="checkbox"/> \$100,000 to \$1 million <input type="checkbox"/> \$1,000,000 to \$100 million <input checked="" type="checkbox"/> More than \$100 million Estimated Liabilities <input type="checkbox"/> \$0 to \$10,000 <input type="checkbox"/> \$10,000 to \$100,000 <input type="checkbox"/> \$100,000 to \$1 million <input type="checkbox"/> \$1,000,000 to \$100 million <input checked="" type="checkbox"/> More than \$100 million		This space is for court use only.

Voluntary Petition		Name of Debtor(s): SouthStar Funding, LLC	
Prior Bankruptcy Case Filed Within Last 8 Years (If more than two, attach additional sheet)			
Location Where Filed: NONE		Case Number:	Date Filed:
Location Where Filed:		Case Number:	Date Filed:
Pending Bankruptcy Case Filed by Any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)			
Name of Debtor: NONE		Case Number:	Date Filed:
District:		Relationship:	Judge:
Exhibit A (To be completed if Debtor is required to file periodic reports (e.g. forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under Chapter 7. <input type="checkbox"/> Exhibit A is attached and made a part of this petition.		Exhibit B (To be completed if Debtor is an individual whose debts are primarily consumer debts) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under Chapter 7, 11, 12 or 13 of Title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the Debtor the notice required by § 342(b) of the Bankruptcy Code. X _____ Signature of Attorney for Debtor(s) Date	
Exhibit C			
Does the Debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety? <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.) <input type="checkbox"/> Exhibit D completed and signed by the Debtor is attached and made a part of this petition. If this is a joint petition. <input type="checkbox"/> Exhibit D also completed and signed by the joint Debtor is attached and made a part of this petition.			
Information Regarding the Debtor (Check the Applicable Boxes)			
Venue (check any applicable box)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.			
<input type="checkbox"/> There is a bankruptcy case concerning Debtor's affiliate, general partner or partnership pending in this District.			
<input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Statement of a Debtor Who Resides as a Tenant of Residential Property			
Check all applicable boxes			
<input type="checkbox"/> Landlord has a judgment against the Debtor for possession of Debtor's residence. (If box checked, complete the following: _____ (Name of landlord that obtained judgment) _____ (Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the Debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered; and			
<input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			

(Official Form 1) (10/05)		FORM 51, Page 3	
Voluntary Petition		Name of Debtor(s): SouthStar Funding, LLC	
SIGNATURES			
<p style="text-align: center;">Signature(s) of Debtor(s) (Individual/Joint)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct.</p> <p>(If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under Chapter 7) I am aware that I may proceed under Chapter 7, 11, 12 or 13 of Title 11, United States Code, understand the relief available under each such chapter and choose to proceed under Chapter 7.</p> <p>I request relief in accordance with the chapter of Title 11, United States Code, specified in this petition.</p> <p>X _____ Signature of Debtor</p> <p>X _____ Signature of Joint Debtor</p> <p>_____ Telephone number (if not represented by attorney)</p> <p>_____ Date</p>		<p style="text-align: center;">Signature of Foreign Representative</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with Chapter 15 of Title 11, United States Code. Certified copies of the documents required by § 1515 of Title 11 are attached.</p> <p><input type="checkbox"/> Pursuant to § 1515 of Title 11, United States Code, I request relief in accordance with the chapter of Title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p>X _____ Signature of Foreign Representative</p> <p>_____ Printed Name of Foreign Representative</p> <p>_____ Date</p>	
<p style="text-align: center;">Signature of Attorney</p> <p>X <u><i>J. Robert Williamson</i></u> Signature of Attorney for Debtor(s)</p> <p><u>J. Robert Williamson</u> Printed Name of Attorney for Debtor(s)</p> <p><u>Serogains & Williamson</u> Firm Name</p> <p><u>127 Peachtree Street, NE, Suite 1500</u> Address</p> <p><u>Atlanta, Georgia 30303</u></p> <p><u>(404) 593-3850</u> Telephone Number</p> <p><u>4-11-07</u> Date</p>		<p style="text-align: center;">Signature of Non-Attorney Bankruptcy Petition Preparer</p> <p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the Debtor with a copy of this document and the notices and information required under 11 U.S.C. § 110(b), 110(h) and 342(b); and (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the Debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the Debtor, as required in that section. Official Form 19B is attached.</p> <p>_____ Printed name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____ Social Security number (If the Bankruptcy Petition Preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the Bankruptcy Petition Preparer.) (Required by 11 U.S.C. § 110)</p> <p>_____ Address</p> <p>X _____ Date</p> <p>_____ Signature of Bankruptcy Petition Preparer or officer, principal, responsible person or partner whose social security number is provided above.</p> <p>_____ Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the Bankruptcy Petition Preparer is not an individual;</p> <p>_____ If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p>_____ A bankruptcy petition preparer's failure to comply with the provisions of Title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.</p>	
<p style="text-align: center;">Signature of Debtor (Corporation/Partnership)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the Debtor.</p> <p>The Debtor requests relief in accordance with the chapter of Title 11, United States Code, specified in this petition.</p> <p>X <u><i>Kim R. Smith</i></u> Signature of Authorized Individual</p> <p><u>Kim R. Smith</u> Printed Name of Authorized Individual</p> <p><u>President</u> Title of Authorized Individual</p> <p><u>Apr 11, 2007</u> Date</p>			

WRITTEN CONSENT OF MEMBERS AND MANAGERS OF
SOUTHSTAR FUNDING, LLC
TO ADOPTION OF CERTAIN ACTIONS AND RESOLUTIONS
IN LIEU OF MEETING

The undersigned members (collectively, the “Members”) of SouthStar Funding, LLC (“the Company”), a Delaware limited liability company, being holders of one-hundred (100%) percent of all Ownership Interests in the Company, and the undersigned managers (the “Managers”), being all of the remaining managers of the Company’s Board of Managers, pursuant to Section 4 of the Operating Agreement of the Company (the “Operating Agreement”), by written consent, do hereby adopt as of April 10, 2007, the following actions and resolutions:

WHEREAS, the undersigned Members and Managers believe that after due consideration and analysis of alternatives it is desirable and in the best interests of the Company, its creditors and members, and other interested parties that a petition be filed by the Company seeking relief under chapter 7 of Title 7, U.S.C., *et seq.* (the “Bankruptcy Code”); and

WHEREAS, the Members and Managers desire and have requested that the following officers, consisting of: Kirk Smith, Brian Smith, and Tracy Jackson (collectively, the “Officers”) oversee the Company’s preparation for and filing such bankruptcy petition, to fulfill the Company’s responsibilities and to otherwise cooperate with any trustee appointed in such bankruptcy case;

NOW, THEREFORE, BE IT RESOLVED that, the Officers shall have full power and authority to manage the affairs of the Company and take such other actions as are authorized in the Operating Agreement and this Written Consent;

FURTHER RESOLVED, that the Officers of the Company be, and are hereby authorized and directed on behalf of this Company to prepare, execute and file the Company’s petition for relief under Chapter 7 of the Bankruptcy Code, and all of the necessary papers in connection therewith, in the United States Bankruptcy Court, Northern District of Georgia, Atlanta Division, and further to such end, to do any other acts, execute all necessary documents and take any other steps in the name and in behalf of the Company, necessary or appropriate to obtaining such relief, and the Officers are further authorized to retain as counsel for the Company in said case Scroggins & Williamson, a law firm specializing in the field of bankruptcy law.

IN WITNESS WHEREOF, the foregoing is hereby executed by the undersigned effective the date first above written.

[Signatures on Next Page]

"MEMBERS"

SOUTHSTAR PARTNERS, LLC

By: MARTIN LEVINE
Its: MEMBER
Membership Interest: 50%

TIMBUKTU, INC.

By: Kirk R Smith
Its: President
Membership Interest: 50%

"MANAGERS"

By: Kirk Smith
Name: Kirk Smith
By: Brian Smith
Name: Brian Smith

Name: Michael Florman

Name: Martin Levine

Name: Jason Kaplan

"MEMBERS"

SOUTHSTAR PARTNERS, LLC

By:
Its:
Membership Interest: 50%

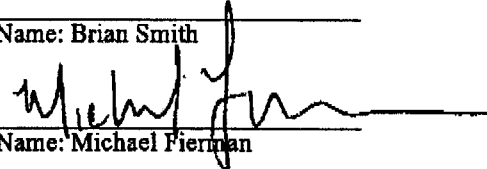
TIMBUKTU, INC.

By:
Its:
Membership Interest: 50%

"MANAGERS"

Name: Kirk Smith

Name: Brian Smith



Name: Michael Pierrman

Name: Martin Levine

Name: Jason Kaplan

"MEMBERS"

SOUTHSTAR PARTNERS, L.L.C

By:
Its:
Membership Interest: 50%

TIMBUKTU, INC.

By:
Its:
Membership Interest: 50%

"MANAGERS"

Name: Kirk Smith

Name: Brian Smith

Name: Michael Fierman

Name: Martin Levine

X _____
Name: Jason Kaplan